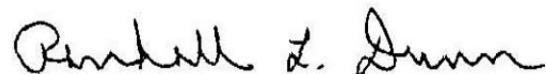


Below is an Order of the Court.



RANDALL L. DUNN
U.S. Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re	)	Case No. 16-30406-rld11
)	
SeaPort Airlines, Inc.,)	
)	
<u>Debtor-in-Possession.</u>		
SeaPort Airlines, Inc.,	)	Adv. Pro. No. 16-03059-rld
)	
Plaintiff,	)	STIPULATED ORDER AUTHORIZING
	)	SETTLEMENT BETWEEN DEBTOR AND
vs.	)	ROBERT McKINNEY
)	
Robert McKinney,)	
)	
Defendant.)	

Based on Debtor's Notice of Settlement with Defendant Robert McKinney and Motion for Approval of Same (Dkt. No. 19) ("Motion"), a copy of which is attached hereto marked **Exhibit 1**, the time for filing an objection having expired and no objections having been filed, the stipulation of counsel endorsed hereon, and the Court being otherwise fully advised, it is

ORDERED that Debtor's Motion is granted.

###

I certify that I have complied with the requirements of LBR 9021-1(a)(2)(A).

IT IS SO STIPULATED:

VANDEN BOS & CHAPMAN, LLP

CABLE HUSTON LLP

By:/s/Robert J Vanden Bos

Robert J Vanden Bos, OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
Of Attorneys for Plaintiff

By:/s/Laura J. Walker

Laura J. Walker, OSB #794329
Of Attorneys for Defendant

PRESENTED BY:

/s/Robert J Vanden Bos

Robert J Vanden Bos OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
VANDEN BOS & CHAPMAN, LLP
319 S.W. Washington, Suite 520
Portland, Oregon 97204
Telephone: (503) 241-4869
Fax: (503) 241-3731

Of Attorneys for Debtor-in-Possession

First Class Mail:

SeaPort Airlines, Inc.
Attn: Timothy Sieber
816 SW First Avenue
Portland, Oregon 97204

Electronic Mail:

The foregoing was served on all
CM/ECF participants through the
Court's Case Management/
Electronic Case File system.

Robert J Vanden Bos OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
VANDEN BOS & CHAPMAN, LLP
319 S.W. Washington, Suite 520
Portland, Oregon 97204
TELEPHONE: (503) 241-4869
FAX: (503) 241-3731

Of Attorneys for Plaintiff

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re	)	Case No. 16-30406-rld11
)	
SeaPort Airlines, Inc.,)	
)	
Debtor-in-Possession.)	
SeaPort Airlines, Inc.,	)	Adv. Pro. No. 16-03059-rld
)	
Plaintiff,	)	NOTICE OF SETTLEMENT WITH DEFENDANT
	)	ROBERT McKINNEY AND MOTION FOR
vs.	)	APPROVAL OF SAME
)	
Robert McKinney,)	
)	
Defendant.)	

Plaintiff, SeaPort Airlines, Inc. ("SeaPort") proposes to take the following action and files this Motion for Approval of Settlement ("Settlement") of all claims asserted by SeaPort against Robert McKinney ("McKinney") in SeaPort's above adversary proceeding. A Summary of the terms and conditions of settlement are as follows:

1. In its complaint, SeaPort had asserted claims against McKinney summarized as follows:
 - a. For avoidance and recovery of an improper post petition transfer in the amount of \$5,885.55 to McKinney of property of the estate;

b. To restrain McKinney from pursuing monetary relief against SeaPort sought in a "whistleblower" complaint McKinney had filed post-petition with OSHA (the "Whistleblower Complaint"); and

c. To the extent allowable, recovery of damages, including attorney fees and costs, from McKinney.

2. To settle the foregoing, SeaPort and McKinney have agreed as follows:

a. McKinney agrees to and has repaid SeaPort the amount of the alleged improper transfer in the amount of \$5885.55. McKinney shall be entitled to file an unsecured claim for the amount repaid, which shall be allowed as a general unsecured claim;

b. McKinney has waived and released any and all claims against SeaPort for monetary damages associated with the termination of his employment with SeaPort;

b. McKinney agreed to and has signed a letter to OSHA notifying OSHA that he has waived all claims to monetary damages associated with his termination at SeaPort and that McKinney has no further interest in having OSHA pursue his whistleblower complaint. SeaPort shall be authorized to submit such letter to OSHA upon the Bankruptcy Court's approval of this settlement;

c. SeaPort releases McKinney from any claims asserted in the above adversary complaint, including SeaPort's potential claim for attorney's fees and costs;

d. SeaPort agrees to dismiss the adversary complaint with prejudice and without costs to either party; and

e. A full copy of the settlement agreement may be obtained by contacting SeaPort's counsel at the below address.

YOU ARE NOTIFIED that unless within twenty-one (21) days of the mailing date of this notice (July 1, 2016), you (1) file a written objection to the Settlement of the above adversary proceeding, setting forth the specific grounds for such objection and your relation to the case, with the Clerk of Court, 1001 S.W. Fifth Avenue, 7th Floor, Portland, Oregon 97204; and (2) mail a copy to the SeaPort's attorney, Robert J Vanden Bos, 319 S.W. Washington, Suite 520, Portland, Oregon 97204, the undersigned will proceed to apply for a court order authorizing the above described settlement, without further notice or hearing.

WHEREFORE SeaPort requests that this Court enter an Order approving SeaPort's Settlement with McKinney.

Respectfully submitted;

VANDEN BOS & CHAPMAN, LLP

By:/s/Robert J Vanden Bos

Robert J Vanden Bos, OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
Of Attorneys for Plaintiff

In re SeaPort Airlines, Inc.:
Chapter 11 Bankruptcy Case No. 16-30406-rld11
SeaPort Airlines, Inc. v. Robert McKinney;
Adv. Pro. No. 16-03059-rld

CERTIFICATE - TRUE COPY

DATE: July 1, 2016

DOCUMENT: NOTICE OF SETTLEMENT WITH DEFENDANT ROBERT
McKINNEY AND MOTION FOR APPROVAL OF SAME

I hereby certify that I prepared the foregoing copy of the foregoing named document and have carefully compared the same with the original thereof and it is a correct copy therefrom and of the whole thereof.

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing on:

SEE ATTACHED LIST. (The original Service List is attached to the original copy filed with the Court only. Creditors may request a copy of the Service List by contacting the undersigned.)

by mailing a copy of the above-named document to each of them in a sealed envelope, addressed to each of them at his or her last known address. Said envelopes were deposited in the Post Office at Portland, Oregon, on the below date, postage prepaid.

I hereby certify that the foregoing was served on all CM/ECF participants through the Court's Case Management/Electronic Case File system on the date set forth below.

Dated: July 1, 2016

VANDEN BOS & CHAPMAN, LLP

By:/s/Robert J Vanden Bos

Robert J Vanden Bos, OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
Of Attorneys for Debtor-in-Possession

In re SeaPort Airlines, Inc.;
Chapter 11 Bankruptcy Case No. 16-30406-rld11
Service List

First Class Mail:

SeaPort Airlines, Inc.
Attn: Timothy Sieber
816 SW First Avenue
Portland, Oregon 97204

**COMMITTEE OF
UNSECURED CREDITORS:**

JA Flight Services, LLC
c/o Bruce A. Jacobs, President
Creditors Committee Chairperson
43W700 US Route 30
Sugar Grove, IL 60554

Olson Brooksby PC
c/o Scott Brooksby, Esq.
200 Pacific Building
520 SW Yamhill Street
Portland, OR 97204

Memphis Propeller Service, Inc.
c/o Mark Matthews, President
11098 Willow Ridge Drive
Olive Branch, MS 38654

20 Largest Unsecured:

Kenyon International
Emergency Svcs Inc.
612 Spring Hill Drive, Ste. 180
Spring, TX 77386

Executive Express Aviation, LLC
43W700 US Highway 30
Sugar Grove, IL 60554

Petro Marine Services/
Alaska Oil Sales
3201 C Street Suite 302
Anchorage AK 99503

American Express
PO Box 53852
Phoenix, AZ 85072

154 West Aviation Enterprises, Inc.
c/o Kirk A. Hoopingarner Attorney
Partner Quarles & Brady LLP
300 N LaSalle St, # 4000
Chicago, IL 60654

Prime Turbines
PO Box 956
Hyannis, MA 02601

Tom's Aircraft Maintenance
2641 E. Spring Street
Long Beach, CA 90806

City of Memphis, Treasurer
Box 185
Memphis, TN 38101

Sabre Group, Inc.
7285 Collection Center Dr.
Chicago, IL 60693

Olson Brooksby PC
200 Pacific Building
520 SW Yamhill Street
Portland, OR 97204

Lane Powell
Attn: David Hosenpud
601 S.W. Second Ave., Ste.2100
Portland, OR 97204

Aviall Services, Inc.
P.O. BOX 842267
Dallas, TX 75284

DASH CA, Inc.
250 St Andrews Way
Lomrock, CA 93436

Travelport, LP
BV c/o Bank of America Lockbox
Attn: William Evans, Sr. Com.
Mgr Air Commerce
PO Box 402395
Atlanta, GA 30384

Hill Fuel LLC
Box 808
Hoonah, AK 99829

Memphis Propeller Service, Inc.
11098 Willow Ridge Drive
Olive Branch, MS 38654

Aero Services
1890 Renshaw Way
Juneau, AK 99801

Airline Maintenance Service Inc.
1 Terminal Way Suite 302
Nashville, TN 37214

Airline Maintenance Service Inc.
North, Pursell & Ramos, PLC
414 Union Street, Ste. 1850
Nashville, TN 37219

Accounting Principals
10151 Deerwood Park Blvd
Bldg 200 Suite 400
Jacksonville, FL 32256

Atlantic Burbank
PO Box 79648
City of Industry, CA 91716

R2 Tech Systems
25 West Middle Lane
Rockville, MD 20850

Duncan Aviation
PO Box 956153 S
St. Louis, MO 63195

Earthlink Business
1058 PO Box 2252
Birmingham, AL 35246

Secured Creditors:

Ally Financial
PO Box 130424
Roseville, MN 55113

Axis Capital
308 N Locust St
Grand Island, NE 68801

Donna Blake
10219 NE 82nd Ave.
Vancouver, WA 98662-1360

Chase
Attn: Home Equity
Servicing
Mail Code OH4-7304
3415 Vision Dr.
Columbus, OH 43219

City of Memphis
PO Box 185
Memphis, TN 38101

Coos County Tax Collector
250 N. Baxter
Coquille, OR 97423

Dallas County
c/o Elizabeth Weller
LINEBARGER GOGGAN
BLAIR & SAMPSON, LLP
2777 N. Stemmons Fwy, Ste. 1000
Dallas, TX 75207

In re SeaPort Airlines, Inc.;
Chapter 11 Bankruptcy Case No. 16-30406-rld11
Service List

Fidelity Title Agency of
Alaska, LLC
re: Notice of Default -
2016-000397-0
3150 C St #220
Anchorage, AK 99503

Internal Revenue Service
P.O. Box 7346
Philadelphia PA 19101-7346

Robert N. Jacobsen
Darlene F. Jacobsen
Jacobsen Living Trust
c/o E. Budd Simpson, Esq.
One Sealaska Plaza, Ste 300
Juneau, Ak 99801

Robert N. Jacobsen
Darlene F. Jacobsen
Jacobsen Living Trust
845 Goldbelt Ave
Juneau, AK 99801

Multnomah County Assessment
Recording & Taxation
PO Box 2716
Portland, OR 97208

Peter A. Scully, Esq.
Atkinson Conway & Gagnon
420 L Street, #500
Anchorage, AK 99501

Shelby County Trustee
PO Box 2751
Memphis, TN 38101

Umatilla County Assessment
& Taxation
PO Box 68
Pendleton, OR 97801

US Customs & Border Protection
Rev. Div. Debt Mngmnt Branch
Attn: User Fee Team
6650 Telecom Drive Ste100
Indianapolis, IN 46278-0000

USA - Department of
Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

USA - FAA - Penalty #4
AMK-322-NM
PO Box 25770
Oklahoma City, OK 73125

Wells Fargo
c/o Patrick B. Gilmore, Esq.
Atkinson Conway & Gagnon
420 L Street, Ste 500
Anchorage, AK 99501

Wings Airline Services, Inc.
Attn: Robert Jacobsen
845 Goldbelt Ave
Juneau, AK 99801

Special Notice:

Michael J. Edelman
VEDDER PRICE
1633 Broadway, 47th Floor
New York, New York 10019

Franklin C. Adams
POB 1025
Riverside, CA 92502-1028

Mark J. Wolfson
100 N Tampa St #2700
Tampa, FL 33602

Tulare County Tax Collector
Attn Jorge Garcia
Deputy Tax Collector
221 S Mooney Blvd Rm 104-E
Visalia, CA 93291-4593

Dan McAllister
Treasurer-Tax Collector
Attention: Bankruptcy Desk
1600 Pacific Highway, Room 162
San Diego, California 92101

Governmental Creditors:

USDA- Financial Mgmt Div
Minneapolis Financial Svcs
Branch
100 North Sixth St
5th Floor, Suite 510C
Minneapolis, MN 55403-0000

Secretaria de Hacienda y Credito
Publico
Av. Hidalgo 77
Col. Guerrero Mexico 06300
MEXICO

San Diego County Treasurer
Tax Collector
P.O. Box 129009
San Diego, CA 95119-0000

Platte County Tax
15955 MO-273
Platte City, MO 64079

Municipality of Skagway
PO Box 415
Skagway, AK 99840-0000

Kansas Department of Revenue
915 SW Harrison St
Topeka, KS 66612-0000

Haines Borough
P.O. Box 1209
Haines, AK 99827-0000

Garland County Tax Collector
Attn: Rebecca Dodd-Talbert
200 Woodbine Rm 108
Hot Springs National Park, AR 71901

Dallas County Tax Office
PO Box 139066
Dallas, TX 75313-0000

City of Hoonah
P.O. Box 360
Hoonah, AK 99829-0000

City of Gustavis
PO Box 1209
Gustavus, AK 99826-0001

City & Borough of Juneau
155 S Seward St.
Juneau, AK 99801-0000

Canada Revenue Agency
- Other Levies Div
Summerside Tax Centre
275 Pope Rd Suite 101
Summerside, PE C1N 6E7
CANADA

Canada Revenue Agency
Customs & Excise
Revenue Canada
K1A 0L5 Canada
CANADA

California Franchise Tax Board
Franchise Tax Board
Bankruptcy Section, MS: A-340
PO Box 2952
Sacramento, CA 95812-2952

In re SeaPort Airlines, Inc.;
Chapter 11 Bankruptcy Case No. 16-30406-rld11
Service List

ODR
ATTN: Bankruptcy Unit
955 Center St NE
Salem, OR 97301-0000

Sub Directo de Control de
Ingresos por D
Instituto Nacional de Migracion Homero
1832, piso 8, Col. Los
Morales - Polanco Mexico 11510
MEXICO

State of Arkansas
PO Box 896, Room 2340
Little Rock, AR 72203-0000

Electronic Mail:

The foregoing was served on all
CM/ECF participants through the Court's
Case Management/ Electronic Case File
system.